

**State of Hawai'i
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of State Parks
Honolulu, Hawai'i 96813**

July 25, 2008

Board of Land and Natural Resources
State of Hawai'i
Honolulu, Hawai'i

Subject: Request for Approval for mutual retroactive cancellation of the Mobile Food Concession Agreement SP 0049 at Diamond Head State Monument exterior parking lot for the period of January 03, 2007 to May 31, 2008.

Previously, the Board authorized mobile food concessions at a number of Division of State Parks' locations. The Division of State Parks recently completed an open public auction process regarding concession services at locations throughout the islands. One of which was the Diamond Head State Monument exterior parking lot location, the subject of this memorandum. The winning mobile concession for this park was Sri Ram Society. The term of this agreement with Sri Ram Society was from June 1, 2005 to May 31, 2008, three years with a fixed rent of \$1,008.00 per month.

The Concession Agreement required Sri Ram Society to provide mobile concessions in the Diamond Head State Monument exterior outside of the tunnel location which they have up until 01/03/2007. However, there have been difficulties in generating enough interest to support a mobile concession at this location. There is a successful mobile concessionaire located in the interior of the Diamond Head State Monument crater that captures the majority of the business creating a hardship for an exterior parking lot mobile concessionaire.

Sri Ram Society had abandoned this location after expressing there hardships to the division of State Parks in January of 2008 but due to staffing shortage, this agreement was never dissolved.

This location has not been included by the board for the upcoming Invitation for Bid for a new Mobile Food Concessionaires.

RECOMMENDATIONS:

That the Board agrees to:

1. Authorize the mutual retroactive cancellation of SP 0049 Concession Agreement and delegate the authority to the Chairperson to execute all relevant documents on behalf of the Board with approval as to form by the Attorney General's office; and
2. Approve using the Concession Agreement security deposit of \$ 2016. toward the amount of the remainder of the agreement; and
3. The Board approves such other terms and conditions as may be prescribed by the Chairperson to best serve the interest of the State.

Respectfully submitted,



DANIEL S. QUINN
State Parks Administrator

APPROVED FOR SUBMITTAL:



LAURA H. THIELEN, Chairperson